



Loss Control Department
Technical Information Paper Series

Motor Vehicle Accidents:
*The Hidden
Workers' Comp Exposure*

Copyright © 1999 The Hartford Loss Control Department
TIPS Series S 331.001 Printed in U.S.A.

This document is provided for information purposes only. It is not intended to be a substitute for individual legal counsel or advice on issues discussed within. Readers seeking resolution of specific legal issues or business concerns related to the captioned topic should consult their attorney and/or insurance representative.

Motor Vehicle Accidents

The Hidden Workers' Comp Exposure

When most of us think of workers' comp losses, we immediately imagine someone slipping or falling, or straining his back while lifting a heavy or awkward object, or suffering cumulative trauma from noise or repetitive motion, or any number of other "common" workplace injuries. Rarely do we consider that *motor vehicle accidents are the direct cause of 30 to 40 percent of all occupational fatalities every year.* Of the 8,500-10,000 fatalities that occur on the job annually, 3,000 to 4,000 are the result of motor vehicle accidents. In addition, another 200,000 employees are injured in motor vehicle accidents—and these accidents result in injury costs that are about three times that of the average of *all other* workplace injuries.

Yet when employers attack their workers' comp loss picture, few consider what can and *should* be done to control or mitigate these losses. From the magnitude of the losses resulting directly from motor vehicle accidents, it should be apparent that any time and effort spent in controlling this exposure can provide substantial payback to most employers and employees, in terms of a safer workplace, increased productivity, and reduced costs. Naturally, employers who have the greatest exposure can benefit the most.

Industries that experience the greatest number of fatal accidents are transportation and public utilities (28%), trucking and courier (22%), government (14%), and service (11%). The remaining 25% of motor vehicle fatalities are spread over all other industries. Any employee who drives a car, pick-up truck, van, or other vehicle while on company business, from the president down to the newest employee, can expose your organization to substantial losses. The greater the number of driving employees you have, and the more adverse the conditions under which they operate, the higher your risk of having an employee injured or killed while operating a vehicle.

The *key* to preventing or reducing the frequency and severity of these accidents is obviously the *driver*. All types of drivers should be considered—driving salespeople, incidental drivers who drive only to get to their "real" jobs (like plumbers or electricians), part-time driving employees, or full-time professional truck, bus or tractor-trailer drivers. Employees who operate vehicles on company business, whether those vehicles are their own or supplied by the company, create an exposure.

Consider these six areas when developing sound management controls to address motor vehicle accidents:

- 1) sound selection and qualification of driving employees
- 2) periodic refresher training
- 3) seat belt program
- 4) speed control program
- 5) purchase of safe vehicles
- 6) reasonable dispatching or hours of operation

When you address each of these areas and establish adequate controls for the specific exposures inherent in *your* business, you should be able to benefit from reductions in both frequency and

severity of motor vehicle accidents, and also see a corresponding reduction in workers' comp losses.

Selecting the Right Driving Employees

Since 95% of all driving accidents result from driver error, selecting the *right* driving employee is critical to reducing losses. Screen all driving employees using an application form which addresses prior driving activities, work experience and accident record. Your interview process should focus on gaps in employment history, unanswered questions that might be intentionally "overlooked" to keep from revealing some negative history, and uncertain responses. While prior employer checks aren't always easy to obtain, failing to check may cause you to hire someone who had an undesirable work history that *may have been detectable*—but you'll never know if you don't ask! Always make a visual check of the driver's license to verify that it is current, that it is for the state resided in, and that any restrictions are noted. A Motor Vehicle Record (MVR) check will let you evaluate the driver's past traffic conviction and accident record (normally for a three year period). These can provide significant insights into the person's behavior while operating a vehicle as well as potentially revealing likely future conduct when operating your vehicles. Would you knowingly hire someone in a driving capacity if you knew he/she had three moving traffic convictions and two accidents in the past three years? If you don't obtain and review an MVR, you'll never know—until it's too late.

Depending on the driving job and state licensing procedures, it may be necessary to require both initial and periodic physicals (with care given to ADA requirements), and a road test. Employees who must do a lot of nighttime driving probably should have their "night vision" tested (especially older drivers, since this vision deteriorates with age). Driving employees requiring insulin for diabetic conditions should be evaluated carefully if they will be transporting high value cargo (such as passengers) or hazardous cargo. Your "designated physician" should be made aware of the potential driving responsibilities of your employees so that their various medical conditions can be placed in proper perspective. Apply these tools, "For the results, not just for the record."

Refresher Training Benefits All Employees

Everyone benefits from periodic refresher "awareness" training to keep their mind focused on the hazards of the driving job, both inherent and seasonal. As new driving techniques (e.g., hard brake application with ABS rather than pumping of the brakes, 2-3-4 seconds of Space Cushion rather than a following distance of one vehicle length for every 10 mph, lights on during rain or snow) or safety devices (Anti-Lock Braking Systems, daytime running lights) are developed be sure your employees are made aware of their effects. Provide refresher training to keep everyone focused on the goal of always wearing seat belts, if you institute your own "seat belt program." If you intend to enforce a program of driving within the speed limit, you will have to ban radar detectors and periodically address the issue, as well as monitor vehicles for these devices.

Seat Belts Should Be Mandatory

One of the most significant steps you can take to reduce costs is to require that all employees use seat belts when in vehicles on company business. Non-employee passengers should also use seat belts. Seat belts reduce serious and fatal injuries by 50%, irrespective of whose fault the accident was. The use of seat belts has been effective in cutting medical costs by 80%. However, even states that have mandatory, primary seat belt laws, find that less than two thirds of drivers wear their belts consistently. Training, combined with incentive programs, is very successful in substantially increasing the use of seat belts.

Reduce Speed To Reduce Losses

Speed control is an essential part of any accident reduction program. As vehicle speed increases, accident frequency and severity increase. For each 10 mph increase over 50 mph, fatalities double. As speed increases, a driver has less time to correct for an adverse driving situation, resulting in an increase in accident frequency. As speed increases, the vehicle and its passengers have greater kinetic energy which must be dispersed during an accident. This normally results in higher levels of injury, both for the vehicle and its passengers. Speed control, like seat belt usage, requires stated company policies and periodic enforcement. Since the primary use of radar detectors is to minimize the likelihood of being apprehended while exceeding speed limits, you need to prepare, communicate and enforce a written policy forbidding their use while on company business.

Choose Safe Vehicles

Purchasing "safe" vehicles goes a long way in reducing accident frequencies and the severity of injuries suffered if accidents do occur. These features help minimize accidents and injuries:

- air bags
- anti-lock brake systems (ABS)
- automatic slack adjusters on air-braked vehicles
- automobiles that "survive" crashes with "room to live" for the occupants (not all cars are equally safe)
- light colored versus dark colored vehicles
- reflective stripping on commercial vehicles
- convex mirrors on large vehicles to eliminate blind spots
- tractor trailer air lines that can be hooked up from the ground
- anti-slip stepping surfaces
- proper hand-holds

Purchase vehicles with a reasonable "top speed" and adequate gearing to maintain "traffic flow" highway speeds. The greater the disparity of speeds between vehicles, the more likely accidents will occur. Driving too slow for the stream of traffic is just as hazardous as driving at speeds greatly in excess of traffic flow. Slow driving frustrates following drivers, causing them to take chances in order to pass.

Encourage Reasonable Operation

When employees must "hurry" in order to meet schedules or quotas, they often take short-cuts in safe driving as well as take chances in their normal safe routine. Drivers who rush or take risks often end up being involved in accidents, as their driving attitudes becomes more aggressive. A high frequency of rear-end or intersection accidents may indicate that drivers are rushing, reducing space cushions and taking risks. Whatever production increases they may achieve are frequently more than offset by the costs of being involved in accidents. If you operate at a 95% operating ratio, it will take *20 times the cost* of the accident in *new revenue* just to pay for the accident.

Guard Against Fatigue

Fatigue is another major contributor to motor vehicle accidents. Fatigue often is a problem when driving employees are faced with changing shift schedules or where they are called to work "on a wheel" as their off-duty hours are up. Employees required to work the third shift and who are faced with driving between the hours of 3:00-6:00 a.m. are susceptible to severe fatigue. Take all possible steps to limit an employee's driving during these high fatigue situations.

There are many programs that you can institute to reduce the frequency of vehicle accidents and to mitigate the severity of injuries in your operation. It will cost some time and some money to control your fleet workers' comp exposures, but the time and money spent will be far less than paying the high costs of accidents, especially when you consider lost time, reduced productivity, employee morale, and insurance costs. *There are no free lunches.* Remember, the investment you make is an investment in your company's future.

This article was first published in *Safe Workplace*, ©1995 NCCI. Reprinted with permission.

This document is provided for information purposes only. It is not intended to be a substitute for individual legal counsel or advice on issues discussed within. Readers seeking resolution of specific legal issues or business concerns related to the captioned topic should consult their attorney and/or insurance representative.

Preventing Motor Vehicle Accidents

A Checklist for Employers

Selecting Driving Employees

- Require driving employees to complete application forms to address prior driving activities
- Interview applicants to clarify questionable responses, or lack of responses on application, and to determine their attitude regarding prior jobs, employers, current position.
- Visually check licenses; make copies.
- Obtain a MVR; compare it to written guidelines.
- Conduct a road test, especially when commercial vehicles (CMV) are to be driven.
- Require a physical exam, especially for CMV operation, and for employees who have obvious physical problems, or where age considerations may be of concern (per written policy).
- Require periodic physical exams.
- Use a designated physician in order to obtain uniform results from a doctor who understands the job exposures.

Training

- Provide periodic refresher “awareness” training.
- Provide training in new defensive driving concepts or vehicle operating techniques.
- Periodically monitor effects of training to determine if modifications are necessary.

Seat Belts

- Require mandatory use of seat belts by all employees, as well as by “guests” riding in vehicles on company business.
- Provide periodic refresher training.
- Periodically monitor seat belt usage.

Speed Limits

- Establish a corporate policy regarding maximum allowable speed at which vehicles may be operated while they are being used to conduct company business.
- Establish a corporate policy prohibiting use of radar detectors.
- Periodically monitor company vehicles for radar detectors and for compliance with speed limits.

Purchase Safe Vehicles

- Air bags
- Anti-Lock Brake Systems (ABS)
- Automatic slack adjusters (air braked vehicles)
- Crashworthy vehicles
- Limited top speed
- Adequate torque for load
- Light colored
- Reflective stripping on commercial vehicles
- Anti-slip stepping surfaces
- Proper hand holds
- Blind spot convex mirrors
- Air lines capable of being attached from the ground

Encourage Reasonable Operations

- Establish schedules that can be met reasonably and that will not require aggressive driving.
- Establish schedules that don't encourage or require driving while fatigued (non "wheel" assignments).
- Monitor hours of operation / driving / on-duty time.